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RESOURCE MOBILIZATION

INTERIM REPORT ON THE IMPLICATIONS OF THE FUNDING STRATEGY FOR UNDP-ASSOCIATED FUNDS AND PROGRAMMES

Report of the Administrator

1. The present interim report by the Administrator, in fulfilment of paragraph 8 (a) of Executive Board decision 99/1, covers three organizational entities: the United Nations Volunteers (UNV), the United Nations Development Fund for Women (UNIFEM) and the United Nations Capital Development Fund (UNCDF).

2. Since the adoption of decision 99/1 in January 1999, UNDP has initiated dialogue with the associated funds and programmes to ensure that the future programme reporting and budgetary processes of these entities will be aligned with the requirement of the funding strategy. It is expected that concrete arrangements will be worked out by the third quarter of 1999 to ensure that the reporting of results and resource allocations for the associated funds and programmes is integrated into the new UNDP multi-year funding framework cycle. At the same time, due regard needs to be given to the fact that these entities have their own organizational policies and priorities and that their activities are subject to their established business plans and strategies.

I. UNITED NATIONS CAPITAL DEVELOPMENT FUND

3. In recognition of the arrangement between UNDP and the Executive Board, the concept of an integrated results and resources framework has been incorporated as an essential element of the UNCDF Business Plan for 1999. Furthermore, UNCDF will, like UNDP, adopt a multi-year funding framework (MYFF) covering a four-year period. It envisages a two-step process, beginning in 1999, in which UNCDF will initiate the MYFF planning exercise at the headquarters level, which will then be followed by an in-depth consultation with the UNDP country offices.

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4. UNCDF is presently undergoing an extensive evaluation of the whole organization. The final report of this evaluation is due in May 1999. Based on the outcome of the evaluation, UNCDF plans to submit its report to the Executive Board at the third regular session 1999. The recommendations of the evaluation will be crucial in determining the goal and targets of UNCDF for the future. UNCDF will therefore prepare the strategic results framework only after the final evaluation report has been received.

5. It is further envisaged that the outcomes of the Executive Board at its third regular session will provide the basis for UNCDF to adopt a comprehensive action plan. The action plan, to be prepared during the final quarter of 1999, will be closely linked to the strategic results framework. This will enable UNCDF to prepare the integrated resources framework in time for review and resource allocation by the Board in the year 2000.

II. UNITED NATIONS VOLUNTEERS

6. The implications of the funding strategy for UNV is to be seen against the background of UNV being an operational programme in development cooperation that is administered by UNDP to promote volunteer contributions and support the fielding of United Nations volunteers.

7. UNV operates in the context of projects and programmes of UNDP and the many other partners with whom it collaborates. This wide context is reflected in the presentation of the UNDP budget, in which UNV is grouped under the biennial budget component relating to support to the operational activities of the United Nations.

8. UNV activities relate therefore to the funding framework of UNDP. UNV inputs and interventions contribute to UNDP programme goals, sub-goals, areas of support and expected outcomes and outputs. Thus, assessments of UNV activities should form an integral part of a results-oriented report by UNDP, in which the use of volunteer resources in relation to results and outcomes are defined. UNV considers that these relationships can best be reviewed and highlighted in the strategic results frameworks and through reports that show the importance of the partnership element. Reporting on UNV in the context of the overall management of the organization will be dealt with under the management category as one of the seven categories that have been defined to capture the full range of UNDP-supported development activities.

9. Separate reporting on UNV activities will allow for a focused review of the programme as a whole. This will be necessary to include reporting on UNV activities financed under the Special Voluntary Fund (SVF). SVF resources are used to complement larger programmes of partners and to explore, identify and promote the innovative roles volunteers can play. Such is reflected in the UNV Strategy 2000, which was approved by the Executive Board. In this regard, however, there may be a need for harmonization with the MYFF cycle and its reporting arrangement.

III. UNITED NATIONS DEVELOPMENT FUND FOR WOMEN

10. The UNIFEM 1997-1999 Strategy and Business Plan, endorsed by the Executive Board in its decision 97/18, incorporates a results-focused strategic framework and an integrated resource framework, in line with the overall thrust of the MYFF. The Plan identifies six major corporate objectives, which the Fund continues to pursue. These are: increase options for women through focused programming in the three thematic areas of economic empowerment, governance, and leadership, and women's human rights; strengthen UNIFEM effectiveness by building strategic linkages with activities at the field level and by emphasizing the principles of a learning organization; strengthen the capacity to support women's empowerment and gender mainstreaming to ensure that personnel, financial and programme management support effectively and efficiently the goals and programmes of the organization; strengthen partnerships with key stakeholders; and increase and diversify the resource base.

11. In keeping with the commitments made in the Plan, UNIFEM has developed its internal mechanisms to build its capacity to monitor and assess results. Current UNIFEM programme documents contain, as part of their design, anticipated outputs, outcomes and impact as well as a well-articulated set of indicators and means of verification. UNIFEM reporting to its Consultative Committee has been results-oriented since 1998.

12. UNIFEM is presently assessing progress of its current Strategy and Business Plan and aims to revise and extend the Plan through 2002. The revised plan will be an outcome of its next staff Strategic Planning Workshop, scheduled for June 1999. The updated Plan will provide an update on results achieved to date and directions for the future and will reflect the results-focused strategic framework and the MYFF cycle. The updated Plan will be available in late 1999.

IV. SECOND UNDP FUNDING MEETING - APRIL 2000

13. Through its decisions 98/23 and 99/1, the Executive Board has put in place a new funding system that is designed to generate a more dynamic dialogue on UNDP core funding and to facilitate greater volume and enhanced predictability through multi-year pledges.

14. In accordance with Executive Board decision 99/1, the first new funding meeting for UNDP was held in April 1999, during the second regular session of the Executive Board. While those States Members who wished to announce at that time their 1999 commitments to core resources for the funds and programmes associated with UNDP were encouraged to do so, it was clear that the April 1999 funding meeting would be formally organized with regard to commitments to UNDP core resources only. However, it is anticipated that the April 2000 funding meeting will cover core contributions for 2000 and, if possible 2001 and 2002, for UNCDF, UNV and UNIFEM as well as for the United Nations Fund for Population Activities (UNFPA) and, of course, for UNDP.